## APPENDIX - A

## INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1987

- TITLE V ADMINISTRATIVE AUTHORITIES RELATING TO INTELLIGENCE PERSONNEL MANAGEMENT OF CIVILIAN INTELLIGENCE PERSONNEL OF THE MILITARY DEPARTMENTS
- Sec.504. (a) Chapter 81 of Title 10, United States Code, is amended by adding at the end thereof the following new section:
- "§1590. Management of civilian intelligence personnel of the military departments
- "(a) The Secretary of Defense may, without regard to the provisions of any other law relating to the number, classification, or compensation of employees--
  - "(1) establish such positions for civilian intelligence officers and employees of the  $\Box$  ilitary departments as may be necessary to carry out the intelligence functions of such departments;
    - "(2) appoint individuals to such positions; and

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- "(3) fix the compensation of such individuals for service in such positions.
- "(b) The Secretary of Defense shall, subject to subsection (c), fix the rates of basic pay for positions established under subsection (a) in relation to the rates of basic pay provided in the General Schedule under section 5322 of title 5 for positions subject to such Schedule which have corresponding levels of duties and responsibilities. Except in the case of a civilian intelligence officer or employee of a military department serving as a member of a Senior Executive Service of a military department, no civilian intelligence officer or employee of a military department may be paid basic pay at a rate in excess of the highest rate of basic pay payable under such General Schedule.
- "(c) The Secretary of Defense is authorized, consistent with section 5341 of title 5, to adopt such provisions of such title as provided for prevailing rate systems of basic pay and to apply such provisions to positions for civilian intelligence officers or employees in or under which the military department may employ individuals described by section 5342(a)(2)(A) of such title.
- "(d) In addition to the basic pay payable under subsection (b), civilian intelligence officers and employees of the military departments who are citizens or nationals of the United States and who are stationed outside the continental United States or in Alaska □ ay be paid allowances, in accordance with regulations prescribed by the Secretary of Defense, not in excess of an allowance authorized to be paid by section 5941(a) of title 5 for employees whose rate of basic pay are fixed by statute. Such allowances shall be based on--
  - "(1) living costs substantially higher than in the District of Columbia;
  - "(2) Conditions of environment which differ substantially from conditions of environment in the continental United States and warrant an allowance as a recruitment incentive; or
    - "(3) both of the factors described in paragraphs (1) and (2).
- "(e)(1) Notwithstanding any other provision of law, the Secretary of Defense may, during fiscal year 1987, terminate the employment of any civilian intelligence officer or employee of a lilitary department whenever he considers that action to be in the interests of the United States and he determines that the procedures prescribed in other provisions of law that authorize the termination of the employment of such officer or employee cannot be invoked in a manner consistent with the national security. The decisions of the Secretary under this paragraph are final and may not be appealed or reviewed outside the Department of Defense. The Secretary of Defense shall promptly notify the

Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever this termination authority is exercised.

- "(2) Any termination of employment under this subsection shall not affect the right of the officer or employee involved to seek or accept employment with any other department or agency of the United States if he is declared eligible for such employment by the Director of the Office of Personnel Management.
- "(3) The Secretary of Defense may delegate authority under this subsection only to the Deputy Secretary of Defense or the Secretary concerned or both. An action to terminate any civilian intelligence officer or employee of a military department by either such officer shall be appealable to the Secretary of Defense.
- (b) The table of sections at the beginning of chapter 81 of title 10, United States Code is amended by adding at the end thereof the following new item: "1590. Management of civilian intelligence personnel of the military departments."
- (c) The Secretary of Defense shall conduct a comprehensive review and evaluation of the implementation of Section 1590 of title 10, United States Code and shall report thereon to the Congress no later than March 1, 1989. Such report shall--
- (1) describe the extent to which the civilian intelligence personnel management systems established under Section 1590 of title 10 have improved acquisition and retention of civilian intelligence personnel by the military departments;
- (2) describe the elements of uniformity among the civilian intelligence personnel  $\Box$  anagement systems established under Section 1590 of title 10;
- (3) describe the elements of diversity among the civilian intelligence personnel management systems established under section 1590 of title 10, and explain the need for such diversity based on differences in the intelligence needs or □issions of the military departments;
- (4) describe the means for oversight within the Office of the Secretary of Defense and each of the military departments for ensuring consistent application of regulations, directives, and guidelines which implement the authority granted under Section 1590 of title 10;
- (5) contain recommendations for any legislative changes the Secretary of Defense  $\square$  ay deem appropriate; and
- (6) include such other matters as the Secretary of Defense may deem appropriate".